Probal Sen – ICICI Securities: Thank you, ma'am. Thank you to everyone who has made time to attend this Q2 FY27 earnings call of Petronet LNG Limited. We have with us members of the company's senior management, including Mr. Saurabh Mitra, the Director (Finance) as well as the CFO; Mr. Rakesh Chawla, ED, F&A; Mr. Mukesh Gupta, CGM and President, F&A; Mr. Vivek Mittal, CGM and President, Marketing; Mr. Devadatta Satapathy, CGM and VP of F&A; and Mr. Vikas Maheshwari, GM, F&A. We will start with opening remarks from the management, after which we will have an interactive Q&A session. Over to you, Saurabh, sir.

Saurabh Mitra – Director (Finance) & CFO: Good afternoon, Probal. Good afternoon, ladies and gentlemen. A warm welcome to the earnings call for Q2 FY27. I am happy to share that the company has delivered an excellent set of results for the second quarter and the first half of the financial year. This has been our best-ever second quarter as well as our best-ever half year in terms of both PBT and PAT.

Let me briefly take you through the key numbers. Starting with operations, we processed 231 TBTU of LNG during the quarter compared to 207 TBTU in the previous quarter and 228 TBTU in the corresponding quarter last year. This represents growth of 12% over the previous quarter and 1% over the corresponding quarter. At Dahej, throughput stood at 216 TBTU as against 192 TBTU in the previous quarter and 211 TBTU in the corresponding quarter last year.

I would like to clarify that the utilization percentages for the current and previous quarters are based on Dahej's expanded capacity of 22.5 million tonnes per annum, compared to 17.5 million tonnes per annum last year. Therefore, while the reported utilization is lower year-on-year, the actual volumes processed have increased. Coming to capacity utilization, Dahej operated at 73%, compared with 66% in the previous quarter and 92% in the corresponding quarter. Overall utilization stood at 64% as against 58% and 78%, respectively.

The financial performance has been particularly encouraging. PLL achieved a PBT of 1,669 crore compared with 1,514 crore in the previous quarter and 1,083 crore in the corresponding quarter last year. This represents growth of approximately 10% sequentially and 53% year-on-year. Similarly, PAT stood at 1,235 crore compared with 1,133 crore in the previous quarter and 806 crore in the corresponding quarter last year, registering growth of 9% sequentially and 53% year-on-year. For the first half, PBT stood at 3,174 crore and PAT at 2,368 crore, both registering growth of 43% over the corresponding period last year.

I wholeheartedly thank the investors and analysts for reposing their trust in PLL over the years. With this, we open the floor for the question-and-answer session. Thank you.

Operator: Thank you very much, sir. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touch-tone telephone. If you wish to remove yourself from the queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

The first question is from the line of Mayank Maheshwari from Morgan Stanley. Please go ahead.

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Mayank Maheshwari – Morgan Stanley: Hi, sir. Thank you for the call and for the good set of volume numbers today. I had two questions. First, in terms of a big-picture view, how are you thinking about India's gas consumption and electricity-to-gas prices? Second, regarding the petchem project, can you elaborate on the progress of that project as well as the capex numbers that you are expecting for the second half? Thank you.

Saurabh Mitra – Director (Finance) & CFO: I would like to take the second question first, Mayank. Thank you for joining the call. Total capex during the first half of the year stood at 1,626 crore. However, we expect an uptick in capex during the second half because we have been able to place all the major orders, and the project progress is on schedule. Therefore, although the financial progress appears to be a little lower, the physical progress on the ground is as per schedule. Secondly, coming to your first question, Vivek, if you can answer.

Vivek Mittal – CGM & President (Marketing): Thank you, sir. In terms of gas demand in India, we have seen an uptick in gas demand despite the fact that the Qatar volumes are not coming in. In fact, we have conducted some analysis. In calendar year 2025, India imported 25.3 million tonnes of LNG. In the first 9 months of calendar year 2026, India imported 20.15 million tonnes. If you prorate 25 million tonnes, it works out to around 19 million tonnes. Therefore, compared with 19 million tonnes, India imported 20 million tonnes in the current calendar year.

In terms of sources, we have seen volumes from the US, Oman, Nigeria, Angola, Trinidad, and Australia going up. Of course, Qatar and the UAE have come down. This entire decline in demand from Qatar and the UAE has been compensated for by these sources. This is despite the fact that prices were in the range of $20 to $25 during the period from March to September. Therefore, we feel that Indian demand is resilient.

In terms of sectors, I think fertilizer is a major sector because Qatar volumes used to go into fertilizer to a large extent. That demand is now being met through cargoes sourced either by other suppliers on a long-term basis or on a spot basis. Another sector that is picking up is the CGD sector. Despite the fact that CGD companies are not doing well, demand continues to grow. The PPAC numbers also reflect this now. In fact, CGD is probably the top-consuming sector in India, very closely followed by the fertilizer sector. These two sectors have contributed to demand growth. The power sector is also being supported because coal supplies were impacted during this period. We have also seen gas going into the power sector. Therefore, we would primarily attribute this demand to these three sectors.

Mayank Maheshwari – Morgan Stanley: I would just like to extend that question a bit in terms of [cut off]

Operator: I am sorry to interrupt you, sir. Your voice is breaking a lot. I request you to please use your handset.

Mayank Maheshwari – Morgan Stanley: Is this better?

Operator: No, sir, it is not.

Mayank Maheshwari – Morgan Stanley: Hello?

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Operator: Yes, sir.

Mayank Maheshwari – Morgan Stanley: Is it better?

Operator: Yes, sir. Please go on.

Mayank Maheshwari – Morgan Stanley: Okay. I was extending the question in terms of consumer demand being reasonably resilient. Can you give us any timelines for securing contracts for the capacity that you have at Dahej? Is there anything that you can share around that?

Vivek Mittal – CGM & President (Marketing): In terms of utilization, as you have seen, the capacity holders continue to bring in their volumes in greater quantities. We are in discussions with certain existing capacity holders to establish a tie-up on a long-term basis. In addition, the new players that are entering the market or have ambitions to enter the market are also in discussions to tie up capacity. However, the existing key players, primarily GAIL, IOC, BPCL, and GSPC, continue to do well and bring in more volumes than their contracted commitments.

Mayank Maheshwari – Morgan Stanley: Got it. Thank you.

Operator: Thank you. A reminder to all the participants: you can press star and one to ask questions. The next question is from the line of Vineet Banga from Nomura. Please go ahead.

Vineet Banga – Nomura: Hi, sir. Thanks for the opportunity. I have a couple of questions. First, on demand, I think there was a sharp decline in LNG imports in September if you look at the PPAC data. During the second half of September, I think spot LNG prices also touched around $13 per MMBtu. How is demand tracking now, and do you think we will be able to achieve the strong demand that we saw in the second quarter in the third quarter as well? How is October tracking for you?

Vivek Mittal – CGM & President (Marketing): We cannot disclose what October looks like. However, demand has been consistently steady. We are not seeing any major decline in demand through October. That is all we can say at this point in time. I do not think prices touched $13 in September. In September, we were doing what we had done in the previous months, including August 2026. October has also been more or less similar. We believe that the future should be more or less along the same lines.

Vineet Banga – Nomura: In the second quarter, what was the trading and inventory gain?

Saurabh Mitra – Director (Finance) & CFO: From now onwards, we will not provide guidance on trading and inventory gains separately. There will be only one figure, which is the gain from operational and commercial efficiencies, amounting to 658 crore.

Vineet Banga – Nomura: So, 658 crore was the gain from certain efficiency measures. If you adjust that 658 crore and divide it by the total volume brought in, the implied number for the regas tariff will be much lower than the usual run rate. Was there any additional cost related to the freight on the Qatar volume that you brought in, where you had to pay a higher cost that you were unable to pass on to offtakers? Was there something like that in the second quarter?

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Saurabh Mitra – Director (Finance) & CFO: Yes, there could be some additional cost this time. A couple of cargoes were brought in from Qatar as well.

Vineet Banga – Nomura: On the LNG vessel charters only, I can read in the note that there are claims of 625 crore with respect to LNG vessel charter companies. However, if I look at the FY26 LNG lease expense, the number was 690 crore for the full year. How do you have a claim of 625 crore for only 7 months of this year? This is for three vessels, whereas the lease expense is for four vessels.

Saurabh Mitra – Director (Finance) & CFO: If you read the note, it mentions charter-hire charges and related associated costs, which also include the cost of fuel and so on. There is a claim from the charter side, and there are also counterclaims from Petronet. That is why this figure has arisen. As a prudent practice, we have disclosed the entire claim in detail in the note.

Vineet Banga – Nomura: One last question, if I may. The charter market for LNG, unlike the crude tanker market, is softer, which I would agree with. Why is Petronet not looking to use the three vessels that are currently not being used by giving them out for sub-chartering and earning some money on them? Why is this not being done?

Saurabh Mitra – Director (Finance) & CFO: You must have noticed that we have suspended the time-charter agreement, and all three vessels are under suspension. Therefore, the lessors are free to use the vessels. Since we have suspended the charters, we cannot use them, and we will not use them either. It is up to the lessors who leased the ships to us; they can use them if they wish to.

Vineet Banga – Nomura: This suspension is valid only until the force majeure from Qatar is lifted. If that is lifted, the suspension will also be lifted. Is that correct?

Saurabh Mitra – Director (Finance) & CFO: Till now, yes, but you never know what happens tomorrow.

Vineet Banga – Nomura: Okay. Lastly, on the same line, regarding your vessel Aseem, I think the contract is until 2034 and your Qatar volume is until 2028. What is the plan for using the vessel over those 6 years? Are we going to pay lease expense for something that we are not using, or are you going to sublease it to somebody?

Management: Definitely, there are business opportunities. We will definitely not keep the vessel idle. We are also in touch with various offtakers who can effectively use this vessel.

Vineet Banga – Nomura: Thank you, sir. I will get back in the queue.

Operator: Thank you. The next question is from the line of Siddharth Rath from InCred Capital. Please go ahead.

Siddharth Rath – InCred Capital: Thank you for this opportunity. When we look at the volumes, they grew sequentially by around 11%. However, revenue grew by about 30%. Was this largely due to the marketing volumes, or was it something else? Can you comment on that?

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Management: We have answered that in the other question. The gain from operational and commercial efficiencies has increased, and that is the reason.

Siddharth Rath – InCred Capital: Sorry?

Management: Due to the operational and commercial efficiencies that we mentioned in the other questions, this difference exists.

Siddharth Rath – InCred Capital: Can you bifurcate the volumes between the marketing and regasification businesses?

Management: That is a combination of two volumes. The 12% growth is total volume growth. Some of it is Qatar volume and some is other than Qatar volume. However, Qatar volume is very strong, so turnover growth is higher than that.

Siddharth Rath – InCred Capital: That is all from my end.

Operator: Thank you. The next question is from the line of Nitin Tiwari from PhillipCapital India Limited. Please go ahead.

Nitin Tiwari – PhillipCapital India Limited: Good day. Thanks for the opportunity. I have a couple of bookkeeping questions. What was the regas revenue, or service revenue, in this quarter?

Management: It was 1,272 crores.

Nitin Tiwari – PhillipCapital India Limited: 1,272 crores. Can you also provide details of any foreign exchange gains or losses, trading gains or losses, or inventory changes?

Management: As answered in the previous questions, from now onwards we will provide guidance on only one figure, which is the gain from operational and commercial efficiencies. That comprises 668 crores instead of trading gains or efficiency gains.

Nitin Tiwari – PhillipCapital India Limited: Understood. Does this operational-efficiency gain comprise trading- and inventory-related changes, or does it also include foreign exchange?

Management: No, foreign exchange is separate. This basically includes both of them.

Nitin Tiwari – PhillipCapital India Limited: Were there any foreign-exchange-related changes in this quarter?

Management: Due to this lease accounting, there is a foreign exchange loss of 27 crores.

Nitin Tiwari – PhillipCapital India Limited: 27 crores, okay. Lastly, are there any further updates on the Gopalpur terminal and the previously mentioned peak project? What was the completion rate at this point? Although you had earlier indicated that second-half capex would be higher, a figure would be helpful. What are you expecting for the second half?

Management: We definitely plan to achieve the target capex. However, there are several factors. If you follow the S-curve, generally, at the beginning, financial progress is at a higher level. Over the

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period, during the peak project, physical progress always moves ahead of financial progress. As I told you, we have ordered all the major contracts. Therefore, we expect physical progress to be as per schedule, and financial progress will definitely be much better than what we achieved in the first half of this financial year.

Nitin Tiwari – PhillipCapital India Limited: When you say that we are on target for capex this year, the target is about 9,000 crores, correct? We have completed about 1,600 crores in the first half, so the second half would make up the balance. Lastly, what was the Gorgon volume at Dahej, if any, in this quarter? Could you also provide the number for the previous quarter?

Management: It was 12 TBTU at Dahej. In the previous quarter, it was 10; this quarter, it is 12.

Nitin Tiwari – PhillipCapital India Limited: 10 and then 12. That is all from my end. Thank you, sir. I will get back in the queue.

Operator: Thank you. The next question is from the line of Aaryan Vardariya from Equitas Investments. Please go ahead.

Aaryan Vardariya – Equitas Investments: What was the regas tariff for your Kochi and Dahej terminals this quarter?

Management: [off-mic discussion] Regas tariff for Kochi and Dahej.

Management: Regas tariff for Kochi and Dahej? And Dahej, yes. The entire industry, rather than speaking about tariffs on this call, I would prefer that you gather this information from industry sources. However, I can tell you that the Dahej tariff is the lowest in the country.

Aaryan Vardariya – Equitas Investments: All right, no issues. My second question was regarding the depreciation line item. I think the force majeure that is flowing into our lease accounting is causing some volatility in the depreciation line. Could you quantify this or provide some color on it?

Management: Yes, you are right. Because of the force majeure, there is lease accounting, and as you rightly said, we have modified the right-of-use asset. Accordingly, depreciation has changed somewhat.

Aaryan Vardariya – Equitas Investments: If the force majeure continues, can we take the depreciation in this quarter as the run rate?

Management: For depreciation? Yes, you can take that. However, we will provide guidance on it in each quarterly call.

Aaryan Vardariya – Equitas Investments: Sure, that is helpful. Thank you, sir. That is all.

Operator: Thank you. The next question is from the line of Keshav from Kotak. Please go ahead.

Keshav – Kotak: Hi, sir. Thanks for this opportunity. You mentioned that FY27 average capex is around 9,000 crores. Can you share similar guidance for FY28 and FY29 as well?

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Management: FY28 should be at the same level. From FY29 onwards, the gradual drop phase will start.

Keshav – Kotak: That is really helpful, sir.

Operator: Thank you. The next question is from the line of Aanchal Shah from Axis Capital. Please go ahead.

Aanchal Shah – Axis Capital: Hi, sir. Am I audible?

Management: Yes.

Aanchal Shah – Axis Capital: You mentioned efficiency gains of around 650 crores. My understanding is that this includes components that you have refrained from disclosing. However, the sense is that once things normalize and spot LNG prices moderate, we could see a sharp reversal in the inventory component and also in trading gains, while there would obviously be an efficiency component. Is my understanding correct that once things normalize, we could see a sharp fall or even a negative figure in this efficiency component?

Management: No, we cannot comment on the efficiency. What we can comment on is throughput. Basically, everybody knows that if the price falls, normal throughput will increase. Normal sales volumes, or the service component, will increase. In the case of rising prices, there could be some efficiency gains. This is how we can explain it.

Management: So, basically, they will offset one another. That is the message you are trying to give.

Aanchal Shah – Axis Capital: Understood. Got it. Thank you.

Operator: Thank you. The next question is from the line of Amit Murarka from Axis Capital. Please go ahead.

Amit Murarka – Axis Capital: Thanks for the opportunity, sir. The obvious question is regarding the contract renewals in April 2028. Where are we on discussions with the current offtakers, and when do you expect finalization to come through?

Management: We are already in discussions. [laughs] Although this question is asked on every call, the discussions are ongoing, so the status continues to be ongoing. However, I do not think it is a matter of concern. We are very hopeful that before the contract starts, everything will be ratified and closed.

Amit Murarka – Axis Capital: Regarding the 5 million tonne Dahej expansion, are you looking for take-or-pay commitments now, or do you think you will look for them once the current environment settles down?

Management: Take-or-pay will take place once there is a committed offtake agreement. For the additional 5 million tonnes, we have not signed any offtake agreement, nor is there any commitment from the offtakers.

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Amit Murarka – Axis Capital: What I meant was, are you even looking for it in the current environment, or will you look to pursue take-or-pay later?

Management: Definitely, a tie-up on a long-term basis is always preferred because it provides sustainability. Having said that, as you mentioned previously, spot LNG prices are declining. There are definitely many players in the market who are looking to tie up capacities alongside the volume. We are therefore very hopeful that the tie-up can be completed very quickly once the current environment normalizes.

Amit Murarka – Axis Capital: Got it. Do you also have any update on the Kochi-Bangalore pipeline?

Management: I think GAIL has been very hopeful. GAIL has been saying this for many quarters, but I think it should be connected with the national grid within this financial year. In fact, GAIL is still saying December. However, as a company, we are being slightly conservative, and we believe it should be connected to the national grid within this financial year.

Amit Murarka – Axis Capital: All right. That is all from me. Thank you.

Operator: Thank you. The next question is from the line of Saurabh Handa from Citigroup. Please go ahead.

Saurabh Handa – Citigroup: Thank you for the opportunity. My first question is regarding some press reports that Qatar has been tying up certain long-term US LNG volumes. Is there some discussion where they could offer a portion of these volumes to you, given that they are not currently able to service the existing contracts?

Management: The volumes you are referring to, as noted in those press reports, start from 2030 and 2031. Therefore, these volumes are not being tied up on an immediate basis. We have had some discussions with Qatar to diversify supply under the new contract, which will start in 2028. They are willing to consider offering a certain portion of the volumes from other sources that they have tied up. However, at this point, it is not relevant because this contract starts only in 2030 and 2031, involving Sabine Pass as well as Golden Pass.

Saurabh Handa – Citigroup: On your existing contract, there is therefore not much flexibility for them to swap some volumes for you from other sources?

Management: Currently, the US volume for Qatar is also mostly tied up. There is currently no surplus volume in the US that is uncommitted.

Saurabh Handa – Citigroup: Got it. You spoke about efficiency gains of 658 crores. Could you tell us the number for the previous quarter, Q1, as well as Q2 of last year?

Management: In Q1, it was 494 crores.

Saurabh Handa – Citigroup: And in the corresponding quarter?

Saurabh Handa – Citigroup: Q2 of last year?

Management: In the corresponding quarter, it was 41 crore.

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Saurabh Handa – Citigroup: That is all from me. Thank you.

Operator: Thank you. The next question is from the line of Hardik Solanki from ICICI Securities. Please go ahead.

Hardik Solanki – ICICI Securities: Thanks for the opportunity, sir. First, regarding the petchem capex, can you mention how much capex we have spent so far? Secondly, in terms of sourcing additional volumes from the US, Oman, Nigeria, and other countries to offset the declining volumes from Qatar, are these long-term contracts or are they only for the near term? If they are long-term contracts, what is the contract size? Thank you.

Management: We have incurred total capex of around 2,700 crores on the petrochemical project to date, up to September 30. Can you repeat the second question?

Hardik Solanki – ICICI Securities: In terms of sourcing additional volumes from the US, Oman, and a few other countries to offset the decline in volumes from Qatar, are these long-term contracts, and what would be their contract size?

Management: This does not necessarily mean that Petronet is sourcing these volumes. They are being supplied by our capacity holders. This is an aggregate India number and not necessarily the Petronet number. Of course, it includes a mix of long-term as well as spot and short-term contracts. Our facility operates under a tolling agreement with the offtakers.

Hardik Solanki – ICICI Securities: Got it. Thanks.

Operator: Thank you. A reminder to all the participants: you can press star and one to ask questions. The next question is from the line of Vineet Bangah from Nomura. Please go ahead.

Vineet Bangah – Nomura: Sir, one more point on the petchem plant. For the PDH process as well as the polymerizing process, what is the total opex per tonne? Can you provide some guidance? Is $100 per tonne a fair assumption, or will it be higher?

Management: No, I think it is too premature to comment on that. We will discuss this perhaps about a year from now.

Vineet Bangah – Nomura: For this plant, what will be the useful life under the depreciation policy?

Management: 25 years.

Vineet Bangah – Nomura: Thank you.

Operator: Thank you. The next question is from the line of Siddharth Raj from InCred Capital. Please go ahead.

Siddharth Raj – InCred Capital: Thank you for having me again. You said that when LNG prices are high, tolling volumes will increase, and that regas volumes will increase under normal circumstances when LNG prices soften. Can you explain how or why that happens?

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Management: No, we have not said that. What we said is that once spot prices soften, there are two things. First, our Qatar volumes are not flowing in. Once the Qatar volumes start flowing in, that will definitely have a positive impact.

Siddharth Raj – InCred Capital: Sorry to interrupt. Your voice is breaking.

Management: What we are saying is that once the Qatar volumes normalize and the Strait of Hormuz issue is resolved, the Qatar volumes will start flowing in. That will automatically increase our gas sales and purchase volumes. Secondly, if spot prices soften, the numbers could be even better than what we are forecasting today because demand in India will increase.

Management: Okay. In other words, to clarify, what we have said is that under our business model, whenever spot prices are high, we tend to gain through our trading activities and operational efficiencies. Whenever spot prices are low, the long-term volumes come in and our margins are protected. Therefore, either way, our capacity utilization at the plant remains the same, and our margins are also protected.

Siddharth Raj – InCred Capital: Got it. Is it the case that whenever spot prices [inaudible] [trails off]

Management: [line issue] No, you are not audible now. Sorry. I cannot hear you. Hello?

Siddharth Raj – InCred Capital: Am I audible now, sir?

Management: Yes.

Siddharth Raj – InCred Capital: Hello?

Management: Yes.

Siddharth Raj – InCred Capital: I was saying, is it the case that whenever there is a force majeure—for example, the force majeure currently coming from Qatar—you would have extended the same kind of force majeure to your customers? Therefore, you are currently not bound to receive the same kind of regasification tariffs, but you would definitely source LNG from somewhere else, such as the US or Nigeria. You would add a marketing margin over that and sell it to the same customers. Therefore, you would gain trading or marketing gains, which would compensate for the loss that you would have incurred due to low throughput in a high-price environment such as this. Is that how it works—that in a high-price environment you would make trading and inventory gains that offset the losses from low throughput, while in a low-price environment the increase in throughput would compensate for the decline in trading, inventory, and marketing gains?

Management: We agree with the last part of your reply.

Siddharth Raj – InCred Capital: What about the former part?

Management: Regarding the former part, we do not import on our own. In the case of contracts other than the long-term contracts that we have, whenever there is a force majeure situation such as the present one, our offtakers bring in cargoes and compensate for the loss in volume. They make up the volume required for the nation to sustain its energy needs. The bottom line that we

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want to clarify is that whenever there is a force majeure situation such as the present one, we do not bring in any molecules on our own. It is only our offtakers who bring in the volumes. When we say that we have operational-efficiency gains, these gains come from various operational savings and efficiencies through fuel-cost savings, lower fuel usage, and minimization of boil-off losses. These are the operational-efficiency gains through which we balance out the loss in our long-term volume.

Siddharth Raj – InCred Capital: If that is the case, then the gain that you posted in this quarter and the previous quarter should remain as it is irrespective of global LNG prices. Even if prices fall to, say, $10 or $9, if it is purely due to operational-efficiency gains, why would it fade away or disappear with lower prices?

Management: The operational-efficiency gain can be traded in the market. That is where the gains come from. In very short form, the efficiencies are always there. The best time to monetize them is when prices are high. That is the answer.

Siddharth Raj – InCred Capital: Got it. So, at present, along with the regasification tariff, you would also be procuring your own cargoes, adding a trading or marketing gain, and selling them to the offtakers?

Management: No, we never take exposure to volume. We never take exposure to volume or price. We never procure any cargo without tying it up downstream. What we are speaking about is internal efficiencies—operational and commercial efficiencies—through which we secure certain molecules and monetize them at the appropriate time.

Siddharth Raj – InCred Capital: Okay, sure. Thank you.

Operator: Thank you. The next question is from the line of Vikas Jain from CLSA. Please go ahead.

Vikas Jain – CLSA: Thanks for taking my question. This is more about the demand macro setup. Demand has been broadly quite resilient. If we look at the PPAC numbers or any of those data points, demand was roughly flat for the quarter despite the prices during the September quarter. Do you think that at this juncture we have more or less captured all of the less price-sensitive demand, and that the incremental increase will be more dependent on LNG prices versus crude prices cooling off? Which industries would that come from? Would it be refineries, petchem, or anything else that I am missing? What has really driven this surprising resilience, particularly given that on a year-on-year basis, power demand is not actually up versus the comparable September quarter last year? Is it completely city gas or is there anything else that I am missing?

Management: I think the refinery, petchem, and city gas sectors could drive demand further as prices soften. You rightly pointed out that refineries and petchem are not yet consuming at their full potential because volumes are short in the market, so they are optimizing with liquid fuels and consuming more liquids rather than gas. However, if prices soften, they could definitely consume more.

Vikas Jain – CLSA: That part is easier to appreciate. However, in terms of city gas, do you sense, when you speak to people, that there is further upside? That is one area which is up 10%

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year-on-year.

Management: It is a growing-demand sector. The numbers published by PPAC reflect that it is now larger than fertilizers. That sector will definitely continue to grow, and as prices soften, there could be more conversions, with more LPG being replaced by CNG. All of that could drive demand higher.

Vikas Jain - CLSA: The other point was that in the current demand situation, Petronet's volume—not the mix, but the volume—has not really become worse than it would otherwise have been, even with long-term LNG flowing through. Your year-on-year volume is up despite overall Indian gas demand being flat. If long-term LNG comes in, why would that lead to higher volume? It is simply replacing one source with another, is that the right way to think about how it will play out?

Management: When long-term volumes come in, spot prices will definitely soften. As we discussed earlier, once spot prices soften, demand could grow further. We can see the trend from January and February this year, and we could surpass that trend.

Vikas Jain - CLSA: One more thing: regarding the nomenclature change that you were discussing, until the previous conference call, if I were to compare these numbers, this is what we used to call trading and inventory gains. Is that correct, or does it include anything additional?

Management: Largely, it is both of them, with nothing extra.

Vikas Jain - CLSA: Thank you very much.

Management: Thank you.

Operator: Thank you. The next question is from the line of Khushboo Balani from Equirus Securities Private Limited. Please go ahead.

Khushboo Balani - Equirus Securities Private Limited: We saw that Qatar volumes came in during the second quarter and were also slightly recovering in October. How much of this catch-up will be from previously deferred cargoes versus deliveries against the current contractual schedules?

Management: It was part of the current contractual schedule only. Some of the cargoes that were able to cross the Strait of Hormuz were delivered to us. It is not a catch-up of the previous volume. It was primarily out of the scheduled deliveries. For example, from July to September, they were supposed to deliver 28 cargoes, and they were able to deliver 6 cargoes. Therefore, it was against that schedule only.

Khushboo Balani - Equirus Securities Private Limited: Fine.

Management: The reason I am saying 6 cargoes is that they were larger cargoes. They were equivalent to 6 standard cargoes because they were delivered through Q-Flex vessels.

Khushboo Balani - Equirus Securities Private Limited: Okay.

Operator: Thank you. That was the last question for today. I now hand the conference over to the management for closing remarks.

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Management: Thank you for participating. I would like to end the conference call on a very positive note, which I did not share in my opening address. Considering the performance, the Board of Directors of the company has approved an interim dividend of Rs.7 per share. As we have committed to all our stakeholders, despite the huge [cut off]

Management: capex program and cash outflow projections, we will be able to maintain the dividend outgo per share, obviously not in terms of dividend yield, and we have kept our word and fulfilled our commitment. With that, thank you once again, and we will see you again at the end of the next quarter.

Operator: Thank you. On behalf of Petronet LNG, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

Management: Thank you, then. Thanks.

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